

**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

**loanDepot.com, LLC,**

Plaintiff,

v.

**STEVE SCHNEIDER, CINDY SMOLIN,  
SAMANTHA SIEGEL, FERNANDA  
BASKE, BOB BOWMAN, and  
CROSSCOUNTRY MORTGAGE, LLC,**

Defendants.

Case No. 22-cv-1874

Judge Lindsay C. Jenkins  
Magistrate Judge Sheila M. Finnegan

**JOINT STATUS REPORT**

Pursuant to the Court's March 30, 2023 Order (ECF No. 249) the Parties submit this Joint Status Report.<sup>1</sup>

**1. Relevant Background.**

On March 30, 2023, this Court granted a motion filed by the Individual Defendants, which CrossCountry joined, to stay these proceedings in their entirety pending the outcome of arbitration. loanDepot partially opposed the Individual Defendants' motion and CrossCountry's joinder (specifically, loanDepot objected to staying the entire action, including discovery on CrossCountry) (ECF Nos. 230, 233, 249.)

**2. Status of Arbitration and Litigation Since the Court-Issued Stay.**

- a. **Arbitration Status and Resolution Efforts.** loanDepot and the Individual Defendants proceeded into arbitration and exchanged written discovery responses on April 14, 2023 while working toward an agreed exchange of documents and information. In early June

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<sup>1</sup> Throughout this joint submission, defendants Bob Bowman, Cindy Smolin, Fernanda "Faye" Baske, Steve Schneider, Samantha Siegel, and John Noyes are collectively referred to as the "Individual Defendants."

2023, the Parties stipulated to a stay of the arbitration (and several other litigation matters between loanDepot and CrossCountry) pending the outcome of a global mediation, which ultimately occurred on September 8, 2023. The mediation was unsuccessful. Accordingly, loanDepot and the Individual Defendants have again begun working toward completing arbitration discovery. On October 2, 2023, the arbitrator set a revised arbitration hearing date for the week of **June 3, 2024**.

**b. Statement Regarding Arbitration Discovery.**

- i. On May 17, 2022, because the Court stayed this action in its entirety, loanDepot issued a third-party subpoena to CrossCountry (“the Subpoena”) seeking relevant documents and communications necessary for the arbitration. This includes (a) relevant text and e-mail communications between and among CrossCountry representatives pertaining to the recruitment of Individual Defendants and the incentives offered to the Individual Defendants; and (b) financial data for the CrossCountry branches where Individual Defendants were and/or are employed. CrossCountry will be serving written objections to the Subpoena on or before October 10, 2023, and intends to work cooperatively with loanDepot to reach a resolution on the scope of the Subpoena. loanDepot also intends to request the depositions of Beth Lewis and Rob Sampson of CrossCountry, which loanDepot believes to be core percipient witnesses for loanDepot’s claims in both the arbitration and this action before this Court. loanDepot has not yet requested these depositions from CrossCountry.
- ii. CrossCountry and loanDepot are negotiating in good faith to resolve any disputes regarding the above matters to avoid the need for Court or arbitrator intervention.

- c. **Status of Protocol Completion.** Individual Defendants have worked with the third-party forensic examiner Charles River Associates (“CRA”) to perform a full remediation of loanDepot’s alleged trade secrets and confidential information within their personal systems and accounts and are also in progress of returning and remediating documents and data on Individual Defendants’ personal devices and have completed remediation on Individual Defendants’ personal accounts (in total, over 115,000 documents). CrossCountry is likewise in the final stages of working with CRA to return and remediate approximately 8,000 records within its systems and accounts pursuant to this same process.

The Parties thank the Court for its time and consideration and remain available should the Court have any questions or concerns.

Respectfully submitted,

Dated: October 3, 2023

/s/ Jeffrey L. Widman  
*One of Their Attorneys*

Jeffrey L. Widman  
jwidman@foxrothschild.com  
Alexandria Rhoades  
arhoades@foxrothschild.com  
FOX ROTHSCCHILD LLP  
321 N. Clark St., Suite 1600  
Chicago, IL 60654  
312.980.3807

**Attorney for INDIVIDUAL DEFENDANTS**  
**Bob Bowman, Samantha Siegel, Cindy**  
**Smolin, Faye Baske, and Steve Schneider**

/s/ James M. Witz  
*One of Its Attorneys*

James M. Witz  
jwitz@littler.com  
Richard T. Kienzler  
rkienzler@littler.com  
Colton D. Long  
clong@littler.com  
LITTLER MENDELSON, P.C.  
321 North Clark Street Suite 1100  
Chicago, IL 60654  
312.372.5520

Jessica F. Pizzutelli  
jpizzutelli@littler.com  
*admitted pro hac vice*  
LITTLER MENDELSON, P.C.  
375 Woodcliff Drive, Suite 2D  
Fairport, New York 14450  
585.203.3400  
**Attorneys for PLAINTIFF loanDepot**

/s/ Brent D. Knight

One of Its Attorneys

Brent D. Knight  
bdknight@jonesday.com  
JONES DAY  
77 West Wacker, Suite 3500  
Chicago, IL 60601  
312.269.4290

Michael A. Platt  
maplatt@JonesDay.com  
JONES DAY  
North Point  
901 Lakeside Avenue  
Cleveland, Ohio 44114  
216.586.7221

**Attorneys for DEFENDANT  
CrossCountry Mortgage, LLC**

**CERTIFICATE OF SERVICE**

I certify that on October 3, 2023, a true and correct copy of the above **Joint Status Report** was filed via the Court's CM/ECF filing system, which served copies on counsel of record for all parties to this action.

/s/ Colton D. Long  
Colton D. Long